

Application for Federal Assistance SF-424

* 1. Type of Submission:

- ☐ Preapplication
☒ Application
☐ Changed/Corrected Application

* 2. Type of Application:

- ☐ New
☒ Continuation
☐ Revision

* If Revision, select appropriate letter(s):

* Other (Specify):

* 3. Date Received:

Completed by Grants.gov upon submission.

4. Applicant Identifier:

5a. Federal Entity Identifier:

5b. Federal Award Identifier:

V97841701

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

* a. Legal Name:

Montana Department of Environmental Quality

* b. Employer/Taxpayer Identification Number (EIN/TIN):

81-0302402

* c. Organizational DUNS:

1124816480000

d. Address:

* Street1:

P.O. Box 200901

Street2:

1520 East 6th Avenue

* City:

Helena

County/Parish:

Lewis and Clark

* State:

MT: Montana

Province:

* Country:

USA: UNITED STATES

* Zip / Postal Code:

59620-0901

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix:

* First Name:

George

Middle Name:

* Last Name:

Mathieus

Suffix:

Title:

Deputy Director

Organizational Affiliation:

* Telephone Number:

406-444-7423

Fax Number:

406-444-1804

* Email:

gemathieus@mt.gov

Application for Federal Assistance SF-424

* 9. Type of Applicant 1: Select Applicant Type:

A: State Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

* Other (specify):

* 10. Name of Federal Agency:

Environmental Protection Agency

11. Catalog of Federal Domestic Assistance Number:

66.802

CFDA Title:

Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements

* 12. Funding Opportunity Number:

EPA-CEP-02

* Title:

EPA Mandatory Grant Programs

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Add Attachment

Delete Attachment

View Attachment

* 15. Descriptive Title of Applicant's Project:

Superfund State Site-Specific Cooperative Agreement for the Libby Superfund Site

Attach supporting documents as specified in agency instructions.

Add Attachments

Delete Attachments

View Attachments

Application for Federal Assistance SF-424**16. Congressional Districts Of:**

* a. Applicant

01

* b. Program/Project

01

Attach an additional list of Program/Project Congressional Districts if needed.

Add Attachment

Delete Attachment

View Attachment

17. Proposed Project:

* a. Start Date:

03/15/2017

* b. End Date:

06/01/2022

18. Estimated Funding (\$):

* a. Federal

1,601,189.00

* b. Applicant

0.00

* c. State

0.00

* d. Local

0.00

* e. Other

0.00

* f. Program Income

0.00

* g. TOTAL

1,601,189.00

*** 19. Is Application Subject to Review By State Under Executive Order 12372 Process?**☐ a. This application was made available to the State under the Executive Order 12372 Process for review on☐ b. Program is subject to E.O. 12372 but has not been selected by the State for review.☒ c. Program is not covered by E.O. 12372.*** 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)**☐ Yes☒ No

If "Yes", provide explanation and attach

Add Attachment

Delete Attachment

View Attachment

21. *By signing this application, I certify (1) to the statements contained in the list of certifications and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)**

☒ ** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.

Authorized Representative:

Prefix:

* First Name:

Shaun

Middle Name:

* Last Name:

McGrath

Suffix:

* Title:

Director

* Telephone Number:

406-444-6815

Fax Number:

406-444-1804

* Email:

shaun.mcgrath@mt.gov

* Signature of Authorized Representative:

Completed by Grants.gov upon submission.

* Date Signed:

Completed by Grants.gov upon submission.

BUDGET INFORMATION - Non-Construction Programs

OMB Number: 4040-0006
Expiration Date: 02/28/2022

SECTION A - BUDGET SUMMARY

Grant Program Function or Activity (a)	Catalog of Federal Domestic Assistance Number (b)	Estimated Unobligated Funds		New or Revised Budget		
		Federal (c)	Non-Federal (d)	Federal (e)	Non-Federal (f)	Total (g)
1. Superfund State Site-Specific Cooperative Agreement for the Libby Superfund Site	66.802	\$ 1,601,189.00	\$	\$	\$	1,601,189.00
2.						
3.						
4.						
5. Totals		\$ 1,601,189.00	\$	\$	\$	1,601,189.00

SECTION B - BUDGET CATEGORIES

6. Object Class Categories	GRANT PROGRAM, FUNCTION OR ACTIVITY				Total (5)
	(1)	(2)	(3)	(4)	
	Superfund State Site-Specific Cooperative Agreement for the Libby Superfund Site				
a. Personnel	\$ 192,268.00	\$	\$	\$	192,268.00
b. Fringe Benefits	76,907.00				76,907.00
c. Travel	29,183.00				29,183.00
d. Equipment	0.00				0.00
e. Supplies	0.00				0.00
f. Contractual	990,000.00				990,000.00
g. Construction	0.00				0.00
h. Other	200,000.00				200,000.00
i. Total Direct Charges (sum of 6a-6h)	1,488,358.00			\$	1,488,358.00
j. Indirect Charges	112,831.00			\$	112,831.00
k. TOTALS (sum of 6i and 6j)	\$ 1,601,189.00	\$	\$	\$	1,601,189.00
7. Program Income	\$	\$	\$	\$	

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SECTION C - NON-FEDERAL RESOURCES						
(a) Grant Program	(b) Applicant	(c) State	(d) Other Sources	(e) TOTALS		
8. Superfund State Site-Specific Cooperative Agreement for the Libby Superfund Site	\$	\$	\$	\$		
9.						
10.						
11.						
12. TOTAL (sum of lines 8-11)	\$	\$	\$	\$		

SECTION D - FORECASTED CASH NEEDS				
Total for 1st Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
13. Federal \$ 1,601,189.00	\$ 400,297.25	\$ 400,297.25	\$ 400,297.25	\$ 400,297.25
14. Non-Federal \$				
15. TOTAL (sum of lines 13 and 14) \$ 1,601,189.00	\$ 400,297.25	\$ 400,297.25	\$ 400,297.25	\$ 400,297.25

SECTION E - BUDGET ESTIMATES OF FEDERAL FUNDS NEEDED FOR BALANCE OF THE PROJECT			
(a) Grant Program	FUTURE FUNDING PERIODS (YEARS)		
	(b) First	(c) Second	(d) Third
16. Superfund State Site-Specific Cooperative Agreement for the Libby Superfund Site	\$ 1,601,189.00	\$	\$
17.			
18.			
19.			
20. TOTAL (sum of lines 16 - 19)	\$ 1,601,189.00	\$	\$

SECTION F - OTHER BUDGET INFORMATION	
21. Direct Charges: \$64,064	22. Indirect Charges: \$48,767

23. Remarks:	The indirect rate is 23.80% of personal services plus 4% of all operating costs with a cap of \$8,000 indirect assessed to each contract or task order each SFY. The Montana Legislature and EPA as DEQ's cognizant agency have approved these rates.
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Preaward Compliance Review Report for All Applicants and Recipients Requesting EPA Financial Assistance

Note: Read Instructions before completing form.

I. A. Applicant/Recipient (Name, Address, City, State, Zip Code)

Name:

Address:

City:

State: Zip Code:

B. DUNS No.

II. Is the applicant currently receiving EPA Assistance? ☒ Yes ☐ No

III. List all civil rights lawsuits and administrative complaints pending against the applicant/recipient that allege discrimination based on race, color, national origin, sex, age, or disability. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7.)

IV. List all civil rights lawsuits and administrative complaints decided against the applicant/recipient within the last year that allege discrimination based on race, color, national origin, sex, age, or disability and enclose a copy of all decisions. Please describe all corrective actions taken. (Do not include employment complaints not covered by 40 C.F.R. Parts 5 and 7.)

V. List all civil rights compliance reviews of the applicant/recipient conducted by any agency within the last two years and enclose a copy of the review and any decisions, orders, or agreements based on the review. Please describe any corrective action taken. (40 C.F.R. § 7.80(c)(3))

VI. Is the applicant requesting EPA assistance for new construction? If no, proceed to VII; if yes, answer (a) and/or (b) below.

☐ Yes ☒ No

a. If the grant is for new construction, will all new facilities or alterations to existing facilities be designed and constructed to be readily accessible to and usable by persons with disabilities? If yes, proceed to VII; if no, proceed to VI(b).

☐ Yes ☐ No

b. If the grant is for new construction and the new facilities or alterations to existing facilities will not be readily accessible to and usable by persons with disabilities, explain how a regulatory exception (40 C.F.R. 7.70) applies.

VII. Does the applicant/recipient provide initial and continuing notice that it does not discriminate on the basis of race, color, national origin, sex, age, or disability in its program or activities? (40 C.F.R. 5.140 and 7.95)

☒ Yes ☐ No

a. Do the methods of notice accommodate those with impaired vision or hearing?

☒ Yes ☐ No

b. Is the notice posted in a prominent place in the applicant's offices or facilities or, for education programs and activities, in appropriate periodicals and other written communications?

☒ Yes ☐ No

c. Does the notice identify a designated civil rights coordinator?

☒ Yes ☐ No

VIII. Does the applicant/recipient maintain demographic data on the race, color, national origin, sex, age, or handicap of the population it serves? (40 C.F.R. 7.85(a))

☒ Yes ☐ No

IX. Does the applicant/recipient have a policy/procedure for providing access to services for persons with limited English proficiency? (40 C.F.R. Part 7, E.O. 13166)

☒ Yes ☐ No

- X. If the applicant is an education program or activity, or has 15 or more employees, has it designated an employee to coordinate its compliance with 40 C.F.R. Parts 5 and 7? Provide the name, title, position, mailing address, e-mail address, fax number, and telephone number of the designated coordinator.

- XI. If the applicant is an education program or activity, or has 15 or more employees, has it adopted grievance procedures that assure the prompt and fair resolution of complaints that allege a violation of 40 C.F.R. Parts 5 and 7? Provide a legal citation or Internet Address for, or a copy of, the procedures.

For the Applicant/Recipient

I certify that the statements I have made on this form and all attachments thereto are true, accurate and complete. I acknowledge that any knowingly false or misleading statement may be punishable by fine or imprisonment or both under applicable law. I assure that I will fully comply with all applicable civil rights statutes and EPA regulations.

A. Signature of Authorized Official

Completed by Grants.gov upon submission.

B. Title of Authorized Official

Director

C. Date

Completed by Grants.gov
upon submission.

For the U.S. Environmental Protection Agency

I have reviewed the information provided by the applicant/recipient and hereby certify that the applicant/recipient has submitted all preaward compliance information required by 40 C.F.R. Parts 5 and 7; that based on the information submitted, this application satisfies the preaward provisions of 40 C.F.R. Parts 5 and 7; and that the applicant has given assurance that it will fully comply with all applicable civil rights statutes and EPA regulations.

A. *Signature of Authorized EPA Official

B. Title of Authorized Official

C. Date

*** See Instructions**

Instructions for EPA FORM 4700-4 (Rev. 06/2014)

General. Recipients of Federal financial assistance from the U.S. Environmental Protection Agency must comply with the following statutes and regulations.

Title VI of the Civil Rights Acts of 1964 provides that no person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. The Act goes on to explain that the statute shall not be construed to authorize action with respect to any employment practice of any employer, employment agency, or labor organization (except where the primary objective of the Federal financial assistance is to provide employment). Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act provides that no person in the United States shall on the ground of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the Federal Water Pollution Control Act, as amended. Employment discrimination on the basis of sex is prohibited in all such programs or activities. Section 504 of the Rehabilitation Act of 1973 provides that no otherwise qualified individual with a disability in the United States shall solely by reason of disability be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance. Employment discrimination on the basis of disability is prohibited in all such programs or activities. The Age Discrimination Act of 1975 provides that no person on the basis of age shall be excluded from participation under any program or activity receiving Federal financial assistance. Employment discrimination is not covered. Age discrimination in employment is prohibited by the Age Discrimination in Employment Act administered by the Equal Employment Opportunity Commission. Title IX of the Education Amendments of 1972 provides that no person in the United States on the basis of sex shall be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any education program or activity receiving Federal financial assistance. Employment discrimination on the basis of sex is prohibited in all such education programs or activities. Note: an education program or activity is not limited to only those conducted by a formal institution. 40 C.F.R. Part 5 implements Title IX of the Education Amendments of 1972. 40 C.F.R. Part 7 implements Title VI of the Civil Rights Act of 1964, Section 13 of the 1972 Amendments to the Federal Water Pollution Control Act, and Section 504 of The Rehabilitation Act of 1973. The Executive Order 13166 (E.O. 13166) entitled; "Improving Access to Services for Persons with Limited English Proficiency" requires Federal agencies work to ensure that recipients of Federal financial assistance provide meaningful access to their LEP applicants and beneficiaries.

Items "Applicant" means any entity that files an application or unsolicited proposal or otherwise requests EPA assistance. 40 C.F.R. §§ 5.105, 7.25. "Recipient" means any entity, other than applicant, which will actually receive EPA assistance. 40 C.F.R. §§ 5.105, 7.25. "Civil rights lawsuits and administrative complaints" means any lawsuit or administrative complaint alleging discrimination on the basis of race, color, national origin, sex, age, or disability pending or decided against the applicant and/or entity which actually benefits from the grant, but excluding employment complaints not covered by 40 C.F.R. Parts 5 and 7. For example, if a city is the named applicant but the grant will actually benefit the Department of Sewage, civil rights lawsuits involving both the city and the Department of Sewage should be listed. "Civil rights compliance review" means any review assessing the applicant's and/or recipient's compliance with laws prohibiting discrimination on the basis of race, color, national origin, sex, age, or disability. Submit this form with the original and required copies of applications, requests for extensions, requests for increase of funds, etc. Updates of information are all that are required after the initial application submission. If any item is not relevant to the project for which assistance is requested, write "NA" for "Not Applicable." In the event applicant is uncertain about how to answer any questions, EPA program officials should be contacted for clarification. * Note: Signature appears in the Approval Section of the EPA Comprehensive Administrative Review For Grants/Cooperative Agreements & Continuation/Supplemental Awards form.

**COOPERATIVE AGREEMENT
APPLICATION
FOR
STATE LEAD OF
OPERATIONS AND MAINTENANCE ACTIVITIES
FOR OPERABLE UNITS 1, 2, 4, 5, 7, and 8 OF THE LIBBY ASBESTOS
NATIONAL PRIORITIES LIST SITE**

LINCOLN COUNTY, MONTANA

State of Montana
Department of Environmental Quality
Waste Management and Remediation Division
1225 Cedar Street
Helena, Montana 59620

For:

United States
Environmental Protection Agency
Region VIII
Denver, Colorado

March 13, 2020

TABLE OF CONTENTS

1.0	INTRODUCTION.....	1
2.0	SITE BACKGROUND	1
2.1	SITE LOCATION	1
2.2	SITE HISTORY.....	1
3.0	CURRENT STATUS	3
4.0	SITE SPECIFIC STATEMENT OF WORK.....	5
4.1	OBJECTIVES	5
4.1.1	<i>OU 1, 2, 5, and 8.....</i>	<i>6</i>
4.1.2	<i>OU 4 and 7.....</i>	<i>7</i>
4.1.3	<i>OU 1, 2, 4, 5, 7, and 8</i>	<i>11</i>
7.0	BUDGET.....	12
8.0	ADMINISTRATIVE AND MANAGERIAL COMMITMENTS.....	12
9.0	STATE ASSURANCES.....	12
10.0	MDEQ/EPA INTERACTION	13
11.0	DISPUTE RESOLUTION.....	13

1.0 INTRODUCTION

In November 1999, the United States Environmental Protection Agency (EPA) Region VIII Superfund Program initiated emergency response actions in Libby, Montana. Response activities focused on rapidly assessing the nature of the exposure to Libby amphibole asbestos (LA) and taking immediate actions to eliminate high-priority sources of LA. In February 2002 the Libby Asbestos Site was proposed to the Superfund National Priority List and the site was listed in October of 2002, ensuring and demonstrating EPA's long-term commitment to addressing health risks at the site. The Libby Asbestos Site Operable Units (OU) 1, 2, 5, and 8 have ongoing operations and maintenance (O&M) activities and OU 4 and 7 will transition into O&M on April 1, 2020.

Section 4.0 of this amended Cooperative Agreement (CA) application to include an additional workplan identifies tasks and activities the Montana Department of Environmental Quality (MDEQ) will conduct for operations and maintenance activities at Operable Units 4 and 7 of the Libby Asbestos Site. This amended CA application includes a request for the EPA funding necessary to perform these tasks and activities for OU 4 and 7. Also, MDEQ is requesting a two-year extension of ongoing O&M activities at OU 1, 2, 5, and 8 with no change in the scope of work and no additional funding at this time.

2.0 SITE BACKGROUND

2.1 Site Location

The Libby Asbestos Site is centrally located around Sections 3 and 10, T30N, R31W, Lincoln County, Montana. The Libby Asbestos Site includes a vermiculite mine, two former vermiculite processing centers (the former screening plant and the former export plant), the rail line in, around and between Libby and Troy, the road between the former screening plant and the mine site (Rainy Creek Road), homes and other commercial properties in and around the cities of Libby and Troy (located 18 miles west of Libby generally Sections 1, 2, 12 and 13, T31N, R34W).

2.2 Site History

Vermiculite was discovered seven miles northeast of Libby, Montana in 1881 by gold miners. Initial mining operations of the vermiculite ore body began in the early 1920s. The Universal Zonolite Insulation Company (Zonolite) began full-scale vermiculite mining later that decade. This vermiculite ore body contained amphibole asbestos fibers with compositions including tremolite, actinolite, richterite, and winchite (referred to as Libby amphibole asbestos or LA) as defined by B. E. Leake, et al. (1997). Unlike the commercially exploited chrysotile asbestos, the LA material was not used commercially on a wide scale and, was considered only a byproduct of little or no value. The vermiculite was used in a variety of products, including insulation and construction materials, as a carrier for fertilizer and other agricultural chemicals, and as a soil conditioner.

The vermiculite ore was mined using standard strip mining techniques. The ore was processed in an onsite dry mill to remove waste rock and overburden material. Once "cleaned," the processed ore was transported from the mine to the screening plant, which sorted the ore into five size ranges. After the sorting process, the material was shipped to various locations across the United States, either for direct inclusion in products or for "expansion" prior to use in products. The expansion process explosively vaporized the water contained within the mica structure causing the vermiculite to expand by a factor of

10 to 15. This produced the vermiculite material most commonly seen in stores and sold as soil conditioner for gardens and greenhouses.

In 1963, W.R. Grace & Company (Grace) purchased Zonolite and continued vermiculite-mining operations. In 1975, a wet milling process was added that operated in tandem with the dry mill until the dry mill was taken off line in 1985. The wet milling process was added to reduce dust generation of the milling process. The export plant was still used to bag and export milled ore until mining operations ceased in 1990. Before the mine closed in 1990, Libby produced about 80 percent of the world's supply of vermiculite.

From 1999 through 2001, EPA Region VIII's Emergency Response Branch (ERB) conducted sampling and cleanup activities in the Libby Valley to address highly contaminated areas. The ERB investigation was initiated in response to media articles, which detailed extensive asbestos-related health problems in the Libby population. Initially the agencies thought that direct or indirect occupational exposures were of most concern, however, additional evaluation indicated that there were multiple exposure pathways that affected many individuals with no link to mining-related activities.

Typically, the amphibole asbestos contamination found in the Libby Valley comes, either singly or in combination from, the following sources: vermiculite mining wastes, vermiculite ores, vermiculite processing wastes, bulk residuals from vermiculite processing, "LA-containing rocks," or Libby vermiculite attic insulation. Asbestos from these sources has been found in interior building dust samples and local soils, which in turn act as additional sources. The goals of ERB were to find and identify areas with elevated levels of asbestos (the sources) and remove them. ERB conducted contaminated soil removals at the export plant location, the screening plant and adjacent properties, and several residential properties with asbestos source materials present. Details of these operations can be found in the EPA's applicable Action Memoranda.

LA containing vermiculite products have been used in the past at an unknown number of properties, and, as a result, EPA determined that each property in the Libby Valley required screening for potential sources of LA. EPA began a systematic screening, called the Libby Contaminant Screening Study (LCSS), of all Libby residences and businesses in May 2002. The LCSS was designed to use a combination of visual inspections, verbal interviews, and outdoor soil sampling to screen for the presence or absence of potential sources of LA in areas where exposure is most likely to occur. The objective was to classify properties as either: (1) requiring emergency response cleanup; (2) requiring more investigation before a decision can be made; or (3) likely requiring no further action.

The site consists of eight areas, referred to by EPA as operable units (OUs). These OUs address the following areas and their current status is provided:

OU1: The former Export Plant and the Highway 37 embankments. The major components of the long-term remedy, selected in May 2010, included containment, removal and institutional controls. EPA completed remedial action in July 2013. Operation and maintenance activities are ongoing.

OU2: Areas impacted by contamination released from the former Screening Plant. These areas include the former Screening Plant, the Flyway property, the Highway 37 right-of-way next to the former Screening Plant and/or Rainy Creek Road and privately-owned properties. The major components of the long-term remedy, selected in May 2010, included removal, containment and institutional controls. EPA completed remedial action in May 2012. Operation and maintenance activities are ongoing. Partially deleted in April 2019.

OU3: (This OU is funded through a separate cooperative agreement.) Property in and around the former mine impacted by Libby Amphibole asbestos, including a tailings dam and impoundment of vermiculite mine waste, the Kootenai River, Rainy Creek and Rainy Creek Road, and surrounding forested areas. EPA completed the remedial investigation in 2016 and progress is being made on the feasibility study. EPA is currently evaluating different treatment technologies that could be implemented to reduce exposures to LA in soil, duff, water, sediment and mine waste. Since higher exposures to LA have been observed during wildfire suppression and mop up activities, EPA works closely with the US Forest Service, WR Grace, state and local partners, and other stakeholders to prepare for and prevent wildfires. EPA is also working closely with WR Grace, and state and local partners to address concerns about degradation at the tailings dam, also known as the Kootenai Development Impoundment Dam.

OU4: Residential, commercial, industrial (not associated with former W.R. Grace operations) and public properties, including schools and parks in and around Libby, or those areas that have received material from the mine not associated with W.R. Grace operations. EPA has completed investigations at more than 6,400 properties and cleanups at more than 2,400 properties.

OU5: The former Stimson Lumber Company property. This approximately 400 acre industrial park is bound by the high bank of Libby Creek to the east, the BNSF railroad to the north and residential/commercial/industrial property in OU4 to the south and west. The area is currently occupied by various vacant buildings as well as multiple operating businesses. The remedial investigation was completed in 2013 and removals were completed where needed. Remedial action was completed in 2016. Operation and maintenance activities are ongoing.

OU6: (This OU is funded through a separate cooperative agreement). Owned and operated by the BNSF railroad, these properties encompass 42 miles of rail line, rights-of-way, and rail yards. EPA anticipates no further cleanups within OU6. Institutional controls will be required to ensure that the remedy remains protective.

OU7: All residential, commercial and public properties in and around the City of Troy, Montana, about 20 miles west of downtown Libby. As of January 2016, EPA has completed investigations at 1,400 properties and cleanups at more than 200 properties.

OU8: United States and Montana State Highway transportation corridors, these properties include 30 miles of U.S. Highway 2, Montana Highway 37, and Farm to Market and River Roads. EPA anticipates no further cleanups within OU8. Institutional controls have been established to ensure that the remedy remains protective. Operation and maintenance activities are ongoing.

3.0 CURRENT STATUS

LEAD AGENCY DESIGNATION

Following completion of the remedial action, EPA declared the remedy operational and functional at OU 1, 2, 4, 5, 7, and 8. At this point in the Superfund process where O&M begins, the Montana Department of Environmental Quality (MDEQ) will be the lead agency for implementation of work associated with operations, maintenance, and monitoring at Libby Operable Units 1, 2, 4, and 7 with the U.S. EPA as the support agency. O&M activities will include, but are not limited to, inspections, sampling, analyses, routine maintenance, and reporting at various intervals. These activities are governed by the

Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) and the regulatory framework of its Trust Fund program (commonly known as Superfund), and the Superfund Amendment and Reauthorization Act (SARA) of 1986. The MDEQ or their contractor will conduct routine inspections to ensure the completed remedial action remains intact and is not compromised. The Waste Management and Remediation Division will be the main contact for details regarding the O&M work. Mr. Jason Rappe is the project manager for the Libby Asbestos Site. The EPA Remedial Project Manager is Ms. Dania Zinner.

FUNDING

This Cooperative Agreement will provide the MDEQ with the funds necessary to ensure that the remedy operates as designed and is properly maintained. **This current MDEQ request for approval of additional scope of work and funding is for the initial two-years of O&M for OU 4 and 7.** O&M will continue for an indeterminate period of time, or until the property is sold through a State-approved Prospective Purchaser's Agreement. Annual O&M costs for OUs 1, 2, 4, 5, 7, and 8 will be re-evaluated, if necessary, in Amendments to this Cooperative Agreement. Any costs incurred because of a "remedy failure" are not covered under this Cooperative Agreement.

This current MDEQ request also does not request additional scope of work or funding for O&M for OU 1, 2, 5, and 8 for the next two years.

The breakdown for the additional OU 4 and 7 funding request can be found in the attached Cooperative Agreement cost budget estimate table for a two-year timeframe. The funding amounts may not reflect future normal cost estimates as these expenditures include the initial transition into O&M for OU 4 and 7. Also, ensuing years may have above average costs due to normal aging or deterioration of the remedy.

Annual O&M costs may include, but are not limited to, the following:

- Manage and coordinate all aspects of O&M.
- Prepare CA and MOA.
- Review and comment on project deliverables.
- Keep management, project team members, and EPA informed of project progress and other relevant issues.
- Develop and maintain cooperative working relationships with counterparts from other regulatory agencies (federal, State, and local), in-house staff members, and community involvement.
- Ensure that the public participation requirements of CERCLA and the National Contingency Plan (NCP) are met so that the community is kept informed of Site activities and appropriately involved in Site decision-making.
- Implementation of the O&M Plan and ICIAP, excluding 5-year reviews which are performed by US EPA
- Operating labor costs

- Site visits
- Records Management
- Maintenance materials and labor costs
- Auxiliary materials and energy costs
- Purchased services including contractors
- Disposal costs
- Administrative costs
- Insurance
- Taxes
- Maintenance reserve costs
- Contingency costs
- Rehabilitation costs
- Cost of periodic site reviews
- Costs of reporting requirements
- Licensing costs
- Costs for termination of O&M

All work includes all contractual costs for a contractor, selected by MDEQ to perform any required work, and MDEQ's administrative costs. The cost of any required O&M and monitoring work will include all labor, services, materials, equipment, oversight and related charges, fees, permits, taxes, etc. necessary to execute and complete the tasks associated with O&M work. If an unforeseen catastrophic event occurs that compromises the remedy and required repairs that exceed the budgeted amount, MDEQ will work with EPA to expedite an Amendment to this Cooperative Agreement to cover the necessary repair expenses.

4.0 SITE SPECIFIC STATEMENT OF WORK

4.1 OBJECTIVES

The primary objective of the O&M work is to ensure the constructed remedy remains in place and continues to operate as designed. This will ensure that the objectives of the remedy are met.

Remedy Objectives:

MDEQ personnel and contracted staff will pay special attention to observing any conditions that may be present that could, if left unaddressed, result in deterioration of the remedy. This could include evidence of erosion, growth of unwanted plants, or changes caused by deterioration over time. Should any of the listed items occur, MDEQ shall hire a qualified contractor to correct the problem while working with pertinent entities which include, but are not limited to, the City of Libby, Lincoln County, and the EPA, as appropriate.

4.1.1 OU 1, 2, 5, and 8

The OU 1, 2, 5, and 8 O&M tasks to be performed by the State Project Manager or Contractor include the following:

The primary objective of the O&M work is to ensure the constructed remedy remains in place and continues to operate as designed. This will ensure that the objectives of the remedy are met.

Remedy Objectives:

MDEQ personnel will pay special attention to observing any conditions that may be present that could, if left unaddressed, result in deterioration of the remedy. This could include evidence of erosion, growth of unwanted plants, or changes caused by deterioration over time. Should any of the listed items occur, MDEQ shall hire a qualified contractor to correct the problem while working with pertinent entities which include, but are not limited to, the City of Libby, Lincoln County, and the EPA, as appropriate.

The O&M tasks to be performed by the State Project Manager (SPM) or Contractor include the following:

Task 1. Oversight

The SPM will manage and coordinate all aspects and details of the project.

Track the project budget and request funding as needed.

Prepare cooperative agreements; review and comment on project deliverables.

Keep management, project team members, and EPA informed of project progress and other relevant issues.

Develop and maintain cooperative working relationships with counterparts from other regulatory agencies (federal, State, and local), in-house staff members, and the public.

Ensure that the public participation requirements of CERCLA and the NCP are met so that the community is kept informed of Site activities and appropriately involved in Site decision-making.

The SPM may also be required to perform other duties not specifically outlined in this cooperative agreement to ensure that the remedy remains intact and continues to function as designed.

Task 2. Inspection

Provide and update an O&M Manual that defines the administrative and technical details and requirements for inspecting, operating, and maintaining the remedy.

Observe site conditions such as landscape, drainage, erosion, and integrity of the remedy.

Inspect so as to restrict access where needed.

Task 3. Routine Maintenance

Maintain the function and integrity of the cover by ensuring an adequate soil and vegetative cover remain in place.

Site maintenance including drainage systems and erosion control.

Maintain institutional controls.

Task 4. Reporting

Quarterly Progress Reports of site specific expenditures and on operation, maintenance and adjustments of the remedy.

Reports on special activities, emergency and safety actions.

Summaries of annual sampling and monitoring results.

Only routine O&M type work will be performed under this Cooperative Agreement. Any event that would cause a “remedy failure” is not covered under this Cooperative Agreement. A “remedy failure” could result from incidents associated with various natural and man-made disasters such as flooding. A “remedy failure” could also occur due to problems associated with development and construction activities performed by the landowner or their contractors. “Remedy failures” can also be due to errors and omissions in the Remedial Design. Any work required to correct damage to the remedy due to a “remedy failure” is not included under this Cooperative Agreement.

Task 5. Procure and Manage Contractor Services

Procure and manage agreements with governmental, nonprofit, and private consultants as needed to fulfill state commitments and to enhance progress on project activities. Examples of services include: technical assistance for project oversight, limited sample collection and analysis activities, court reporting for public hearings, paralegal assistance for cost recovery or administrative record preparation, office clerical help to photocopy or microfiche documents for EPA use, and financial accountant/auditor for contract compliance evaluations. Enable state to enter into and manage intergovernmental agreements and contracted services to support superfund O&M activities for the Libby Site.

4.1.2 OU 4 and 7

The OU 4 and 7 O&M tasks to be performed by the State Project Manager (SPM) or Contractor include the following:

Task 1. Oversight

Manage and coordinate all aspects and details of the project.

Provide daily project management, fiscal accounting, cost recovery documentation, legal research, and liaison with local and federal agencies, general administration, and clerical support.

Develop, review, and comment on project deliverables.

Track the project budget and request funding as needed.

Prepare cooperative agreements, MOUs, and contracts as needed.

Maintain project files. Update site files as new data, correspondence, and work products become available. Provide access to site files as requested by EPA, their contractors, the public, site owners/operators, legislators, officials and potentially responsible parties, as appropriate. Provide secure storage for confidential files and assure integrity of digital database(s).

Keep management, project team members, and EPA informed of project progress and other relevant issues.

Develop and maintain cooperative working relationships with counterparts from other regulatory agencies (federal, State, and local), in-house staff members, and the public. Also, prepare and review written comments on community relations work products, including fact sheets and press releases. Prepare verbal or written responses to requests for site information from the public, legislators/officials, site owners/operators, contractors, and PRPs. Attend public meetings and briefings to discuss O&M status, site information, progress, and policies, as appropriate.

Ensure that the public participation requirements of CERCLA and the NCP are met so that the community is kept informed of Site activities and appropriately involved in Site decision-making.

Conduct site visits for O&M activities.

The SPM may also be required to perform other duties not specifically outlined in this cooperative agreement to ensure that the remedy remains intact and continues to function as designed.

Task 2. Inspection

Provide and update an O&M Manual that defines the administrative and technical details and requirements for inspecting, operating, and maintaining the remedy.

Observe site conditions such as landscape, drainage, erosion, and integrity of the remedy.

Inspect so as to restrict access where needed.

Task 3. Routine Maintenance

Maintain the function and integrity of the remedy.

Site maintenance including drainage systems and erosion control.

Maintain institutional controls.

Task 4. Contracted Services

Procure and maintain contracts for technical expertise and services to include, but not limited to, aid in comprehensive review and comment of technical documents, review and comment on analytical data, meeting attendance, conducting site visits, and technical support with data hosting, data graphical representation, and data documentation.

Procure and maintain contracts for asbestos laboratory and remediation services.

Maintain a list of pre-qualified contractors to provide professional environmental engineering and other technical services for addressing the investigation and cleanup of State (Comprehensive Environmental Cleanup and Responsibility Act, [CECRA]) and Federal CERCLA Superfund sites, Abandoned Mine sites and sites impacted by the release of contaminants in the State of Montana.

Ensure contractors comply with all federal, state, and local laws, regulations, and ordinances applicable to the scope of work to be done under their agreement.

Task 5. LA Asbestos Cell Landfill Coordination

MDEQ, or its contractor, will coordinate with the Lincoln County Health Department Solid Waste Division to maintain operations of the Lincoln County Asbestos Cell for LA-related materials that may include, but not limited to, solid waste tracking, record keeping, coordination with Landfill Operators of the LA Asbestos Cell, and related costs associated with LA Asbestos Cell.

Task 6. Asbestos Resource Program (ARP) or Equivalent Contracted Services

ARP is a program staffed in Lincoln County, Montana, that was initially funded by EPA. The ARP works under the direction of the City-County Board of Health (BOH) for Lincoln County. Through a MDEQ and County developed CA, ARP may continue to be the local presence responsible for implementing protective measures and selected ICs during O&M. ARP is a program that educates the public regarding the remaining risks of LA exposure, provides resources to manage the associated risks, and implements initiatives to reduce or prevent the risk of LA exposure. ARP will continue to provide information, as needed, to assist property owners and their contractors in understanding the appropriate best management practices (BMP) and ICs that apply to their properties.

ARP or equivalent contracted services will:

Implement Institutional Controls (ICs) as outlined by the Institutional Control and Implementation Assurance Plan (ICIAP) including any revisions. This will include, but is not limited to, education and outreach activities, response hotline, governmental control ICs, and information control ICs.

Provide site monitoring and sampling/analysis guidance and activities to support O&M decisions and ICs as needed.

Provide oversight and review for sampling analytical reports provided during IC activities for Site O&M as needed.

Provide LA-asbestos inspection services and write applicable scopes of work for necessary abatement or response action of LA-asbestos encountered during O&M and IC activities at the Site. This includes properties with Notices of environmental conditions (NOECs) and notices of potential environmental conditions (NOPECs) where property owners refused EPA inspection and/or remedy and EPA placed notices on those properties and the properties are seeking to withdrawal the NOEC/NOPEC.

Provide DEQ with assistance in the reimbursement program to include working with property owners, developers, and contactors to develop SOWs (as identified above), and assembling remediation reimbursement requests for eligible activities and providing to MDEQ for approval and disbursement of funds.

Coordinate with the MDEQ to facilitate development and drafting of property notices associated with LA-asbestos inspections and status letters of the current property status with respect to LA-asbestos and past activities if MDEQ elects to provide a property owner a status letter.

May coordinate with MDEQ and the Lincoln County Health Department Solid Waste Division to maintain operations of the Lincoln County Asbestos Cell for LA-related materials that may include, but not limited to, solid waste tracking, record keeping, coordination with Landfill Operators of the LA Asbestos Cell, and related costs associated with LA Asbestos Cell.

Provide support in data entry, records management, and reporting activities to MDEQ that may include data entry into a MDEQ database (Response Manager or equivalent) with property specific information generated during the IC activities (document communications with property owners and/or contractors, address updates, U-dig and Property Evaluation Notification (PEN) requests, site assessments, analytical data, statements of work (SOW), reimbursement calculations and approvals, oversight activities, as-builts, etc.).

Procure, maintain, track, and provide equipment and supplies for use of local residents including the EPA-provided backfill materials.

Provide status reports as outlined by MDEQ.

Provide additional support and services, as requested, that may include, but not limited to, general O&M support, assistance with annual inspections, and other O&M duties as agreed upon.

Task 7. Reimbursement for General Maintenance and Repairs of the Remedy

Future encounters with LA or LA-contaminated material is expected to occur at properties during the O&M period. These exposures to LA-containing material may result in unacceptable risk, necessitating action in order to prevent further exposure and protect human health. An O&M reimbursement process has been established for property owners or contractors that perform future investigations and/or maintenance activities on a property to recover all or a portion of these costs. It is expected that costs not associated with the sampling and management of LA or LA source materials will be the responsibility of the property owner.

Manage the reimbursement process including, but not limited to, developing, reviewing, and updating standardized forms, guidance documents, and other tools for evaluation of eligibility and request for reimbursements.

MDEQ, or its contractor, will work with property owners, developers, and contactors to develop Statement of Works (SOW) and provide associated reimbursement eligibility determinations. The SOW will address investigative sampling and/or proposed actions at a given property. The SOW is intended to capture background information, property-specific information, Best Management Practices, proposed sampling and/or response activities, disposal protocols, insurance company contact information, and reimbursement information.

MDEQ, or its contractor, will assemble remediation reimbursement requests for eligible activities and provide to MDEQ for approval and disbursement of funds. Under certain circumstances of a property owner performing their own work and discovering LA or LA-contaminated material, MDEQ may contract directly with an approved SOW provider for proposed actions at the given property.

Reimbursements for unusual circumstances (e.g., catastrophe) will be handled on a case-by-case basis and will require agency consultation to make appropriate determinations on how reimbursement will be handled. For unusual circumstances, MDEQ will consult with EPA to confirm eligibility. Options will be identified, along with a preferred path forward.

Task 8. Reporting

Quarterly Progress Reports of site specific expenditures and on operation, maintenance and adjustments of the remedy.

Reports on special activities, emergency and safety actions.

Summaries of annual sampling and monitoring results.

Only routine O&M type work will be performed under this Cooperative Agreement. Any event that would cause a “remedy failure” is not covered under this Cooperative Agreement. A “remedy failure” could result from incidents associated with various natural and man-made disasters such as flooding. A “remedy failure” could also occur due to problems associated with development and construction activities performed by the landowner or their contractors. “Remedy failures” can also be due to errors and omissions in the Remedial Design. Any work required to correct damage to the remedy due to a “remedy failure” is not included under this Cooperative Agreement.

4.1.3 OU 1, 2, 4, 5, 7, and 8

CONTRACT TYPE AND COSTS

The MDEQ will follow the required State procurement process for any necessary O&M work. Any contract shall specify insurance requirements that the contractor and subcontractors are required to procure and maintain. Included in the list of insurance requirements are Commercial General Liability and/or Comprehensive General Liability Insurance, Worker’s Compensation and Employer’s Liability and all other types of insurance eligible for reimbursement under the cost principles set forth in 40 CFR 31.

PROJECT TERM

The MDEQ will perform O&M for an indefinite period of time, or until the property is sold through a State-approved Prospective Purchaser’s Agreement. The EPA preferred remedy assures protection of human health and the environment; however, some contamination remains in place on site. EPA will enter into separate agreement(s) with any parties (local municipalities or land owners) having jurisdiction over the Site to assure the future O&M and institutional controls remain in place for the life of the remedy.

COMMUNITY RELATIONS PLAN

A Site-specific Community relations Plan is in place and is coordinated with EPA for this Site and will be followed to ensure a proper level of local involvement in any O&M work performed as outlined above. MDEQ may assist with the preparation or revision of the site community relations plans, and may attend public meetings and briefings to discuss site information, progress, and policies, as appropriate.

HEALTH AND SAFETY PLAN

All work will be conducted in accordance with applicable rules and regulations. Any contractor hired to perform work under this Cooperative Agreement will be required to develop and submit a Site-Specific Health and Safety Plan. It will be submitted by the contractor prior to beginning any work and the site.

QUALITY ASSURANCE

All work will meet the quality assurance requirements of EPA and MDEQ. Both EPA and MDEQ shall concur on the requirements to ensure the remedy will remain effective and competent.

7.0 BUDGET

Please see the attached Table 1A for proposed budget for additional funding for OU 4 and 7.

8.0 ADMINISTRATIVE AND MANAGERIAL COMMITMENTS

MDEQ is the designated state agency responsible for implementing the O&M activities and any additional activities as requested by EPA. MDEQ is responsible for the execution, administration and management of the CA and for the performance of the activities as described in Sections 4.0 through 11.0 of this CA. MDEQ will contract, in compliance with applicable federal and state procurement regulations, the performance of the activities as necessary to accomplish the objectives of the scope of work. MDEQ will comply with and/or will require contractors and subcontractors to comply with any applicable general grant regulations (40 CFR Part 35). MDEQ has certified its procurement process to EPA.

MDEQ will:

1. Conduct the activities of this CA in a manner consistent with the NCP.
2. Adequately document the costs incurred in undertaking the activities described in this CA and otherwise support EPA's cost recovery efforts.
3. Prepare and submit quarterly reports to EPA providing a summary of MDEQ activities, project expenditures and deliverables related to this CA.

9.0 STATE ASSURANCES

1. Enforcement Assurances

The activities conducted under this CA do not include enforcement activities.

2. Other Assurances

The activities conducted under this CA do not include Superfund-financed remedial activities, and the assurances (state cost share and O&M requirements) specified in CERCLA Section 104(c)(3), 42 U.S.C. § 9604(c)(3), and 40 CFR 300.515 are not required or included at this time.

10.0 MDEQ/EPA INTERACTION

As noted previously, MDEQ is the designated state agency responsible for implementing the O&M activities and any additional activities as requested by EPA. These activities will be performed in cooperation with EPA and consistent with CERCLA and the NCP. The following procedures for interaction shall apply to all activities performed under this CA.

1. If comments from EPA on any deliverable are received by MDEQ according to agreed upon schedules, MDEQ will incorporate those comments, unless it substantially disagrees. MDEQ will notify EPA of any comments with which it substantially disagrees. If such disagreement cannot be resolved at the management, technical or legal program level, the dispute resolution process in Section 11.0 will be followed.
2. MDEQ and EPA project managers will agree on review periods for all documents, including drafts. For final documents, MDEQ and EPA will meet to coordinate timely legal and management review.
3. The following deliverables must receive EPA approval as outlined above:
 - a. Scope of Work Amendments
 - b. Quarterly Status Reports

Any disputes in these matters will be resolved as stated in item 1 above or according to the dispute resolution process described in Section 11.0.

11.0 DISPUTE RESOLUTION

When a dispute has arisen between the agencies and cannot be resolved at the project officer/staff attorney level, the disputing party shall identify the dispute to the other party in writing. EPA and MDEQ shall have 14 days to resolve the dispute informally. At the end of the 14-day informal dispute period, if the dispute is not resolved, the disputing party shall again state the dispute in writing in a letter addressed to the MDEQ Waste Management and Remediation Division Administrator and the Director of the Superfund and Emergency Management Division, EPA Region 8. The other party shall have 7 days to respond to this dispute letter. The Division Administrator and Director shall have 14 days to resolve the dispute. If, at the end of this 14-day period, the dispute cannot be resolved, all dispute letters and responses shall be forwarded to the Regional Administrator, EPA Region 8. He or she shall consult with the Director of MDEQ concerning the dispute, and shall issue a final determination within 14 days of receipt of the dispute letters. The decision of the Regional Administrator shall be final.

TABLE 1A. Cooperative Agreement Amendment Application						
Libby Asbestos Site, Operable Units 4 and 7 Operations and Maintenance						
Budget for April 1, 2020 through June 01, 2022						
A. PERSONNEL						
Title	Description	FTE	Hr. Rate	Hours	Cost	Total
Division Administrator	Administration	0.05	\$ 54.32	100	\$ 5,432.00	
Bureau Chief	Project oversight	0.14	\$ 44.65	300	\$ 13,395.00	
Section Supervisor	Project oversight	0.25	\$ 37.78	525	\$ 19,835.00	
Env.Spec./Env. Eng.	Project management	0.99	\$ 32.49	2080	\$ 67,579.00	
Env.Spec./Env. Eng.	Technical Resource	0.74	\$ 32.49	1560	\$ 50,684.00	
Administrative Supervisor	Admin. Oversight	0.01	\$ 30.05	30	\$ 902.00	
Admin. Aide	Typing, filing	0.14	\$ 18.87	300	\$ 5,661.00	
Fiscal Officer	Division Fiscal Support	0.01	\$ 37.78	30	\$ 1,133.00	
Accountant	Division Fiscal Support	0.07	\$ 25.71	150	\$ 3,857.00	
Attorney	Legal review and assistance	0.19	\$ 39.46	400	\$ 15,784.00	
Legal Manager	Legal Oversight	0.01	\$ 46.50	30	\$ 1,395.00	
Comm. Rel. Spec.	Community relations	0.07	\$ 26.72	150	\$ 4,008.00	
Information Technology	Information mgmt/monitoring	0.04	\$ 32.54	80	\$ 2,603.00	
Total FTE		2.74		5735		
Personnel Cost					\$ 192,268.00	
Fringe Benefits @ 40%					\$ 76,907.00	
Personnel Sub-Total						\$ 269,175.00
B. TRAVEL						
Type					Cost	Total
Airfare/Transportation		trips	mile/trip	mileage/flight		
In-State		36.00	\$ 700.00	0.575	\$ 14,490.00	
Out-of-State		0.00		1000.00	\$ -	
Lodging/Per diem		days	meals	lodging		
In-State		108.00	\$ 30.50	102.72	\$ 14,388.00	
Out-of-State		2.00	\$ 50.00	102.72	\$ 305.00	
Travel Sub-Total						\$ 29,183.00
C. EQUIPMENT						\$ -
D. SUPPLIES						\$ -
E. CONTRACTUAL						
Annual Site Inspection				\$ 60,000.00		
General technical assistance				\$ 300,000.00		
Asbestos Resource Program				\$ 600,000.00		
Analytical Lab				\$ 30,000.00		
Contractual Sub-Total				\$ 990,000.00		\$ 990,000.00
F. CONSTRUCTION						\$ -
G. OTHER						
Reimbursement for general maintenance and repairs of remedy					\$ 200,000.00	
Other Sub-Total						\$ 200,000.00
H. TOTAL DIRECT CHARGES						\$ 1,488,358.00
I. INDIRECT CHARGES						
Personal Services (23.80%)					\$ 64,064.00	
Other Direct Costs (4%)					\$ 48,767.00	
Total Indirect Costs					\$ 112,831.00	
Total Budget Requirement					\$ 1,601,189.00	
Less Carryover					\$ -	
Total Budget Requirement					\$ 1,601,189.00	